

QUARTERLY REPORT

Fourth quarter FY 2000

Guatemala Mitch Special Objective: Rural Economy Recovers from Mitch and is Less Vulnerable to Disasters

Summary: U.S. grant assistance under the Hurricane Mitch Special Objective (SpO) is helping Guatemala's rural economy recover from the devastation brought on by the hurricane while offering technical support and other assistance to help the rural communities both mitigate effects of the disaster and better prepare for future disasters. During the quarter ending September 30, 2000, USAID and its partners continued to make good progress with reconstruction activities.

Key Intermediate Results: (1) Disaster preparedness enhanced; (2) Agricultural productivity recovered on more sustainable basis; (3) Community disease prevention and control systems strengthened.

Quarter Highlights:

September 26th: US Ambassador and Guatemala President inaugurate USACE irrigation rehabilitation project at Santa Lucia and CRS water project at Nuevo Lantiquin.



Santa Lucia: U.S. Ambassador Prudence Bushnell accepting a plaque of appreciation from Guatemala President Alfonso Portillo, as USAID Director George Carner looks on.



Ambassador Bushnell and President Portillo officially open the first standpipe in Nuevo Lantiquin

September 21st: Mitch Reconstruction USG agency and partners' mid-term meeting in Guatemala City. Over eighty people from more than twenty agencies attended the one-day gathering to take stock of where each agency and partner is in terms of implementation, share information with respect to problems and obstacles encountered, and discuss final results achievement in the year that remains.

IR 1: Disaster Preparedness Enhanced

Key Intermediate Results: (1) Mapping, data collection, and targeting most vulnerable communities; (2) community organizations strengthened; (3) CONRED network strengthened.

Performance and Prospects: Procurement of equipment and services for CONRED for funds remaining (\$100,000) under IRs 1.1 and 1.3 was initiated. Meanwhile, IR 1.2 *Community Organizations Strengthened*, both CRS and CARE made good progress this quarter toward their targets.

The CRS target for the life of the SpO is to develop disaster-coordinating committees in 100 communities. CRS' accumulative progress this quarter is:

- Identified 98 communities in which to form community disaster coordination committees (COLRED).
 - Formed COLRED in 49 communities.
 - Training initiated in 43 COLRED.
 - Emergency action plans completed in 35 COLRED
 - Legalized 29 of the COLRED (officially sworn into CONRED system).



CONRED's Sub-Secretary for Organization, Ret. Maj. Fuentes Osoria, swearing-in fourteen COLRED newly formed by CRS in ZACAPA, in September.

CARE, is targeting the formation of 5 municipal and 25 community disaster coordination committees (30 total), developing risk maps for each, and strengthening local disaster committees in an additional 77 communities. During the quarter CARE's achievements were:

- Five municipal emergency committees legalized with the departmental government.
- Twenty-five community emergency committees legalized with the municipality and with liaison established with CODRED.
- Hired five disaster technicians (to work with community committees).
- Thirty (5 municipal and 30 community) committees trained in the cycle of disasters and in development of emergency disaster plans for the community.
- Two of 5 municipal emergency committees have completed emergency plans.
- Initiated work in response to municipal requests to organize 55 community disaster committees in Tucuuru and 22 in Tamahu.

Implementation of this IR has depended on close cooperation with the Federal Emergency Management Agency (FEMA) and USAID's Office of Foreign Disaster Assistance (OFDA). Under its Inter Agency Agreement (IAA), FEMA is providing

technical assistance (TA) to CONRED to strengthen its Emergency Operations Center (EOC) in terms of space utilization, technology requirements, and physical layout. Meanwhile, OFDA is providing TA directed at streamlining personnel organization, staffing protocols and operations manuals, and staff training needs. In July, FEMA carried out an assessment of technology needs and physical layout of the EOC. That FEMA report became the basis for USAID's procurement of equipment. Of available Mitch funding, \$97,000 was used toward technical equipment, mostly computer, procurement.

Complementing Mitch funding, USAID also received during the quarter \$500,000 from OFDA as a fund cite transfer under its Central America Mitigation Initiative (CAMI) . USAID's intended uses for CAMI funds are to bolster resources available under Mitch reconstruction for enhancing disaster preparedness. The bulk of the funds will be programmed to support CONRED equipment and staff training needs.

IR 2: Agricultural Productivity Recovered on More Sustainable Basis

Key Intermediate Results: (1) River, land and small scale irrigation systems rehabilitation, (2) Polochic and Motagua watershed management, (3) Seed recovery and multiplication, (4) Microenterprise recovery and credit, (5) Rural road repair in Ixcán, Quiché, and Alta Verapaz.

IR 2.1 River, land and small scale irrigation systems rehabilitation

USAID partners working to achieve results in this IR include the U.S. Army Corps of Engineers (USACE), the Ministry of Agriculture-Cipreda (MAGA-Cipreda), the National Coffee Growers Association (ANACAFE), the Center for Tropical Agricultural Research and Education (CATIE), and CRS.

Last quarter, USAID had pending with USAID/Washington/LAC is a request for an additional \$5million to augment resources available for implementation of USACE priority infrastructure designs. The mission was informed early this quarter that these funds were unavailable. As a consequence, both USAID and USACE have scaled back expectations. Now, nearing the end of available resources for design work under its original \$2 million PASA, USAID is processing the addition of \$250,000 to the PASA so that USACE can complete remaining design work in the Polochic river basin. This amendment comes from IR2 Mitch reconstruction funds.

USAID and MAGA-Cipreda have seven project designs totaling \$1,422,885 signed up under a Fixed Amount Reimbursable (FAR) arrangement. USAID is currently reviewing additional USACE designs to determine with MAGA how to best allocate approximately \$1,000,000 remaining IR2 uncommitted funds under the FAR mechanism.

The Santa Lucia Irrigation rehabilitation project, begun in May, was recently completed and on September 26, 2000 was officially inaugurated by the U.S. Ambassador to Guatemala and the President of Guatemala. The \$709,000 project benefits 10,000 small farmers over an area approximating 10,000 hectares (25,000 acres). Also completed is a highway protection project at La Playa. Work on the other five MAGA-Cipreda projects has been delayed due to the onset of the 2000 rainy season.

Also during the quarter, USACE completed a site inspection of the Polochic valley.

ANACAFE, under this IR, is assisting communities in Alta Verapaz. Their life of SpO target is to rehabilitate 1,600 hectares of coffee plantations, and rehabilitate 18 coffee processing plants benefiting 14,000 small coffee farmers. To date ANACAFE has:

- a) Rehabilitated 1,600 hectares of coffee plantation.
- b) Rehabilitated 14 coffee processing plants.

CRS is targeting four objectives for this IR: (1) sustainable management of soil, water and forest resources in 25 micro-watersheds, (2) improve crop productivity of 3,000

hectares damaged by Mitch, (3) promote land tenure security in 100 communities to contribute to sustainable management of soil, water and natural resources, and (4) improve income generating capacity of 3,000 farm families.

Cumulative achievements for objective one:

- a) Management plans established in 2 of 27 selected micro watersheds.
- b) No. trees planted = 3,350 on 8.5 hectares.

Cumulative achievements for objective two:

- a) Workshops and training underway.
- b) Hectares under improved practices to date = 72.

Cumulative achievements for objective three:

- a) Titling process training completed in 34 communities.
- b) Cadastral investigation underway in 13 communities.

Cumulative achievements fourth objective:

- a) Training of 15 members of 3 village banks completed.
- b) Trained 34 bank boards on credit recovery.
- c) Number of families receiving credit to date = 2,894.

Under its IAA the USDA/Forest Service continued its technical assistance to fire management and watershed rehabilitation in the Sierra de las Minas biosphere reserve managed by the Fundacion de Defensores de la Naturaleza (FDN). In July, with FDN personnel, the Forest Service gave environmental talks to communities in the reserve on forest regeneration issues, and pasture lands and fire control concerns. These talks are intended to complement the work of fire brigades that have formed under the Forest Service IAA which are active during the March to June fire season.

Also during July visit, the watershed management team worked with FDN on rehabilitation of damaged areas of the Jones watershed. Under Forest Service direction, FDN has been building erosion control and bank stabilization structures in the



A bank stabilization structure below an eroded area in the Jones watershed



A sediment trap designed to slow runoff and retain sediment.

watershed. The structures will serve both to correct water runoff problems and as demonstrations to FDN and communities alike for replication elsewhere in the reserve.

IR 2.2 Polochic watershed management

CARE and MAGA-Cipreda are the two partners working under this IR. CARE's two objectives are: (1) rehabilitation of agricultural and watershed areas through reforestation and improved natural resource management in 270 communities along the Polochic and Cahabon river valleys and their tributaries, and (2) assist 10,800 farming families from 270 communities in the departments of Alta and Baja Verapaz adopt soil conservation, agroforestry and diversified agricultural techniques. Under its first objective CARE is targeting 8 results. A cumulative summary of achievements including this quarter is as follows:

- 1) SpO Target: work with five municipalities to develop land use planning maps – Cumulative result: completed five 1:50,000 scale thematic cartography maps.
- 2) SpO Target: develop an environmental education program for primary school kids in 52 schools – Cumulative Result: with CONAMA (national environment commission) presented an environmental education seminar with the participation of 180 teachers in 40 target schools.
- 3) SpO Target: develop a municipal strategy for forest fire prevention and control – Cumulative Result: No activity reported this quarter.
- 4) SpO Target: develop forest management plans in four intervention municipalities including identifying and training a municipal forestry technician – Cumulative Result: Forest inventories developed in Tucuru, Panzos, Carcha and Lanquin.
- 5) SpO Target: develop a training program for municipal forestry technicians – Cumulative Result: A land qualification course was given attended by 23 technicians.
- 6) SpO Target: develop a reforestation incentive scheme for 669 hectares in 270 communities paying \$488,185 to 2,851 families who will also plant 712,750 multipurpose (pine, cyprus, maple) trees – Cumulative Result: 80 communities organized, 8 nurseries with 400,000 seedlings available, 45,000 tree seedlings distributed for a total of 37.12 hectares reforested.
- 7) SpO Target: 2,851 families adopt rational use of forest resources - Cumulative Result: 40 municipal extension workers and 300 forestry promoters trained in soil conservation, crop diversification, analysis of the use, sub-use and over-use of soils, and forestry incentives.
- 8) SpO Target: strengthen the capacity of the 15 municipal governments in the two Verapaz departments in natural resource management – Cumulative Result: 70 pro-improvement committees trained in two municipalities.

Under its second objective CARE is targeting 2 results. Cumulative achievements to date are as follows:

- 1) SpO Target: Reforestation adopted by 5,680 families who will plant 1,424,300 coffee, macadamia, cacao, citrus, and pepper trees – Cumulative Result: 134,514 coffee plants planted, and 3,200 cinnamon, 4,000 peach, and 4,000 apple saplings planted.
- 2) SpO Target: soil conservation techniques imparted to 1,340 families – Cumulative Result: 600 families trained in soil conservation techniques.

IR 2.3 Seed recovery and multiplication

The Ministry of Agriculture, through Cipreda and its technology unit ICTA, is the partner for this IR. MAGA-Cipreda-ICTA signed a project implementation letter for \$1.0 million for seed recovery and multiplication.

During the quarter, MAGA-Cipreda-ICTA began the implementation of the program, which will bring improved seed to 17,000 producers who lost seed stocks during Mitch. MAGA-Cipreda-ICTA is reproducing and disseminating ten varieties of corn, six varieties of rice, six varieties of bean, five varieties of potato, and one variety of sesame. ICTA's cumulative achievements including this quarter are:

- Reproduction plots planted for: corn = 60 acres, rice = 66 acres, sesame = 29 acres, bean = 39 acres, potato = 8 acres.

IR 2.4 Microenterprise recovery and credit

MAGA-BANRURAL is the main partner for the \$2.0 million provided under a project implementation letter. To date, MAGA- BANRURAL has extended \$1,536,000 in micro enterprise credits benefiting 3,200 families.

IR 2.5 Rural road repair in Ixcan, Quiche, and Alta Verapaz

ANACAFE, under its \$3.0 million Cooperative Agreement is the largest partner for this IR. Their SpO targets include: 130 kilometers of road rehabilitated that will benefit 52,000 small coffee growers. Progress to date:

- Rehabilitated 53.2 kilometers of a road. (Note: the Regional Inspector General/El Salvador concluded an audit of this activity registering concern whether ANACAFE would meet its target. The Mission reviewed ANACAFE's work plan and they intend to mobilize local communities to help achieve the 130 kilometer target).

Through its \$1.95 million Cooperative Agreement, CHF is rehabilitating rural roads and bridges in Ixcan. Their SpO targets are: (1) reconstruct 13 concrete vehicular bridges; (2) reconstruct one Bailey vehicular bridge, (3) repair one Bailey vehicular bridge, and (4) reconstruct 100 kilometers of gravel roadway. Cumulative achievements are:

- Seven bridges completed and open to provisional or normal traffic.
- Reconstruction of one Bailey Bridge underway.
- Repair of one Bailey Bridge underway.
- Rehabilitated 50 kilometers of roadway.

IR 3: Community Disease Prevention and Control Systems Strengthened

Key Intermediate Results: (1) Local malaria prevention and control programs strengthened, (2) Household water and sanitation programs established in selected areas, and (3) Capacity to prevent and control infectious diseases enhanced.

Performance and Prospects: This IR is on track. CARE and CRS, principal partners in this IR for water and sanitation activities, continued to move ahead with their respective work plans, and MERTU-CDC made progress as well.

IR 3.1 Local malaria prevention and control programs strengthened

MERTU-CDC is the main partner in this sub-IR. MERTU-CDC has three results for this activity: (1) the distribution of insecticide-treated bed nets (ITN) in high risk malaria villages; (2) improved malaria case detection and treatment among lab workers in the affected health areas of Ixcan, Izabal and Escuintla; and (3) epidemiological surveillance. MERTU-CDC 's progress to date includes:

- Identified 44 villages in Ixcan for the ITN component (once bed nets are distributed 25% of the population of Ixcan will be protected against malaria).
- A census and knowledge, attitudes and practices (KAPs) survey in the 44 villages was implemented, which identified the need for 12,000 bed nets.
- Bed net production is underway through women's micro-enterprises at a price of Q70 each (seamstresses will earn Q20 per bed net).
- Eight malaria diagnostic centers serving 179 villages established.
- In three health areas 905 volunteer collaborators who will serve over 170,000 at risk residents were identified.
- Training modules have been prepared and will be put to use once MOH concurrence is given.
- Epidemiological surveillance: a functional database is being developed that includes entomological indicators to strengthen the malaria risk assessments.

IR 3.2 Household water and sanitation programs established in selected areas

CARE and CRS are the principal partners in this sub-IR with a technical support role being played by MERTU-CDC.

CARE, CRS and MERTU/CDC coordinated the presentation of the findings from the health base line surveys. These surveys, which benefited from CDC technical assistance in design, implementation and analysis, demonstrated just how high the percentage of contamination is among the various water sources.

CARE

CARE's objective for this IR is by August 2001 to have reduced by 15% the prevalence of diarrheal diseases in children less than 5 years of age in 14 rural communities in 5

municipalities of Alta and Baja Verapaz. To achieve this result, CARE is making available community water systems and latrines to 6,029 beneficiaries (1,176 families), and promoting adequate hygiene practices. CARE is constructing 12 water systems that will serve 14 communities, distributing 1,446 water receptacles for household treatment and storage of water, and constructing 1,176 latrines. Cumulative progress to date is:

- Signed water project agreements with 7 communities and work is underway in 5.
- 1,269 receptacles distributed.
- Completed 57 latrines.
- Hygiene practices education unit organized.



Chamelco, Alta Verapaz. CARE provides the toilet seat and roofing sheets and the beneficiary the rest of the materials and labor for the construction of the latrine.

CRS

CRS' objective for this IR is to reduce the incidence of diarrheal disease, especially in children under five years of age, by improving household water and sanitation conditions, and hygiene knowledge and practices. Expected results for CY 2000 are: (a) complete a diarrhea incidence baseline and hygiene knowledge, attitudes, and practices survey; (b) construct/rehabilitate 10 small community water systems; (c) construct/rehabilitate 175 wells; (d) construct/rehabilitate 1,200 latrines; (e) distribute 2,000 water receptacles with chlorine disinfectant. CRS is working with three local counterparts, the Social Pastorate of Ixcán, the Social Pastorate of the Verapaces, and Caritas of Zacapa. CRS provides technical supervision and guidance to the counterparts in addition to the financial resources and materials to carry out the work.

Cumulative progress to date for CRS is:

- With MERTU/CDC completed the final report of the baseline survey.
- Training materials are being developed using baseline survey results.
- Completed 500 latrines.
- 1 new water system completed in Nuevo Lantiquin, (on September 26th the US Ambassador and the President inaugurated the system) and 1 water system repaired in La Union, Zacapa.
- 5 water systems are being rehabilitated.
- Completed rehabilitation of 10 wells, 5 others being rehabilitated.
- 630 receptacles distributed.

CDC

As external advisor for CRS and CARE, MERTU-CDC continues to provide technical assistance for water quality and diarrheal morbidity monitoring and evaluation.

IR 3.3 Capacity to prevent and control infectious diseases enhanced

- MERTU/CDC and Ministry of Health officials prepared a draft plan for a "National Offensive for the Prevention and Control of Dengue" program. The plan is being reviewed.

Financial Summary

As of September 30, 2000, the Mission had sub-obligated 91% of all funds under the three intermediate results, i.e., had committed funds with implementing agencies (see following table). Approximately \$2.4 million of the \$28.0 million obligated under the Special Objective Agreement remain to be sub-obligated with implementing agencies. Most of these funds are under IR2, and will be allocated to MAGA-Cipreda under the FARs mechanism for the construction of the irrigation and flood control infrastructure being designed by USACE for the next construction season.

Accrued expenditures for the quarter for all three IRs reached 43.0%, i.e., \$12.04 million (see graph below). The Mission's accumulative expenditure target for all three IRs for the quarter was 47% or \$13.2 million.

When considering only CACEDRF funds for IR1 and IR2, the total sub-obligation percentage is 90%. The accrued expenditures for these two IRs is \$11.01 million, or 44.07%. The accumulative expenditure target for these two IRs was \$11.9 million, or 47.6%.

The target shortfall is due mainly to the early onset of the rainy season which was heavier than expected. The bulk of expenditures come from IR2. As noted on page four of this report, work on the five other MAGA-Cipreda contracts has been suspended during the current rainy season, which ends in late October. Once construction resumes in November expenditures will again be on track. All of the resources assigned to this IR, as well as for the other two IRs, will be used as budgeted. There are no obstacles or other inefficiencies affecting implementation that would suggest an LOP shortfall either in targets or in budget.

